

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Implementation of Sections 3(n) and 332)
of the Communications Act)
)
Regulatory Treatment of Mobile Services)

GN Docket No. 93-252

To: The Commission

ORIGINAL

COMMENTS

Pacific Telecom Cellular, Inc. ("PTC"), by its attorneys, hereby submits comments in the above-captioned rule making proceeding. Various subsidiaries and affiliates of PTC hold cellular system licenses in Rural Service Areas and smaller sized Metropolitan Statistical Areas.^{1/} PTC and its affiliates are also prospective applicants for licenses in the Personal Communications Services ("PCS").

1. In the NPRM, the Commission invited comment, inter alia, on specific proposals that will "...delineate the provisions of Title II of the Communications Act that will be applied to commercial mobile service and those provisions that, within the bounds of the discretion afforded by Congress, will be forborne."^{2/}

^{1/} Cellular systems licensed to and controlled by PTC's subsidiaries and affiliates serve Rural Service Areas in Alaska, Wisconsin and Michigan, and the Appleton and Eau Claire MSAs in Wisconsin. PTC also serves as manager of several RSA cellular systems in Minnesota and Wisconsin. PTC is controlled by Pacific Telecom, Inc., a Washington corporation and telecommunications holding company.

^{2/} Notice of Proposed Rule Making in GN Docket No. 93-252, released October 8, 1993 ("NPRM"), para. 2.

Among the proposals on which the Commission invited comment was the following question: Should any or all classes of PCS providers of commercial mobile service ("CMS") be subject to equal access obligations like those imposed on LECs?^{3/}

Equal Access Obligations Should Not Be Extended To CMS Providers

A. Competition Among CMS Providers Will Promote Service Choices For Customers

2. The Commission expressed the tentative view that the level of competition in the CMS marketplace is sufficient to permit forbearance from tariff regulation of rates to end users.^{4/} PTC agrees with the Commission's view and fully expects that the CMS marketplace will become increasingly competitive with the introduction of PCS.

3. In most urban and rural markets CMS is currently available from two cellular system licensees, multiple Specialized Mobile Radio ("SMR") licensees, and a variety of other conventional VHF and UHF Public Land Mobile Service licensees. Within the next two years it is expected that new CMS competition will be introduced in many market areas by enhanced SMRs and by up to seven PCS licensees. This increasing level of competition will encourage all CMS providers to offer services and features which they perceive as desirable to prospective customers, and motivate at least some CMS

^{3/} See NPRM, para. 71.

^{4/} NPRM, para. 62.

providers to be innovative in order to distinguish their services from those of other licensees. Some providers may perceive a marketing advantage in offering customers equal access to interexchange carriers ("IXCs"). Others may conclude that the cost of introducing equal access (i.e. software, customer balloting and possibly hardware modifications) is not justified by the customers' perception of the benefits of equal access. Such decisions are best left to the business judgment of service providers. Absent a compelling public interest in the availability of a particular service or service feature, PTC submits that the Commission should forbear from requiring that a specific service feature such as equal access be offered to customers. PTC respectfully urges the Commission to avoid regulation where competition is sufficient to provide the public with sufficient choices of services and service features.^{5/}

B. Equal Access Is Unnecessary To CMS Customers Who Desire Access To Other Interexchange Carriers

4. Whether or not a CMS licensee offers equal access to IXCs is not a limitation upon a customer's ability to place calls over the facilities of the customer's IXC of choice. While cellular systems operated by PTC subsidiaries and affiliates are not

^{5/} As the Commission observed in footnote 94 of the NPRM, equal access obligations have been imposed on Bell Operating Company affiliated cellular carriers under the Modification of Final Judgment. The GTE operating companies have comparable equal access obligations under the GTE Consent Decree. The rationale for these requirements is grounded on concerns over market influence and dominance by the Bell and GTE companies. Other CMS licensees lack comparable market power.

presently equipped to provide equal access to IXC's, customers may still access an IXC of choice by placing a "1-800" call to any IXC with 800 service access.^{6/} PTC and other cellular licensees whose operations are known to PTC do not block a customer's ability to access any IXC. A customer is thereby afforded a choice of IXC's without need for investment by the licensee in equal access capability or for Commission adoption and enforcement of equal access requirements.

Conclusion

5. Increasing competition among CMS providers will lead to the introduction of new service features. Customers who value a particular service feature such as equal access will seek out CMS providers who offer that feature, while comparing the service quality and pricing available from a variety of licensees. Even where equal access is unavailable from a CMS provider, a customer may still elect to route calls to a preferred IXC by use of an "800" or other access number.

Accordingly, there is no substantial public benefit which warrants the adoption and enforcement of regulations requiring PCS

^{6/} Any IXC which provides a customer access number can be called over the facilities of a PTC cellular system.

or other CMS licensees to offer equal access to interexchange carriers.

Respectfully submitted,

PACIFIC TELECOM CELLULAR, INC.

By: 
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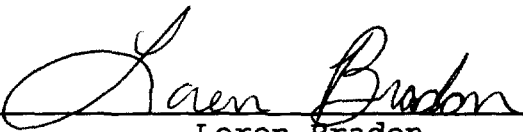
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November 8, 1993

CERTIFICATE OF SERVICE

I, Loren Bradon, a secretary in the law offices of Lukas, McGowan, Nace & Gutierrez, Chartered, hereby certify that I have on this 8th day of November 1993 sent, via hand delivery, a copy of the foregoing COMMENTS to the persons named below.


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